

Memorandum of Conversation

DATE: January 30-31, 1967

SUBJECT: U.N. Visiting Mission to the TTPI

PARTICIPANTS: See Final Page

DEPARTMENT OF STATE A/CDC/MR	
REVIEWED BY <u>W. V. Keel</u>	DATE FEB. 25 1987
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The Washington discussions of the UN Visiting Mission to the Trust Territory of the Pacific Islands (TTPI) occupied four sessions. In the January 30 morning session, the Visiting Mission was briefed by representatives of the Department of the Interior on political and economic developments in the TTPI since the June 1966 Trusteeship Council meeting. In the afternoon session the same day social, health and educational developments since June 1966 were discussed. Representatives of the Peace Corps outlined the Peace Corps program in the TTPI and representatives of the Department of State discussed the present status of the US-Japanese negotiations concerning claims against Japan by Micronesian citizens for property damage and loss of life as a result of World War II at the morning session on January 31. In the concluding session the same afternoon, representatives of the Department of State discussed the political future of the TTPI.

Political Developments

After Mr. Anderson had opened the meeting by welcoming the Visiting Mission, Miss Brooks requested information concerning recent political developments in the TTPI. Mr. de Young described the following three developments which had taken place since June

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1966: (a) The Congress of Micronesia had held its second regular session July 11-August 9, 1966 and a Special Session August 10-14, 1966 dealing mainly with appropriations matters; (b) the second General Election to the Congress of Micronesia was held November 8, 1966. The most interesting aspect of the election was the increasingly important role played by political parties in two districts (Saipan and Palau). Political parties were expected to emerge in Yap District during the next election. In the other districts candidates campaigned as individuals; and (c) Interim Committees of the Congress of Micronesia were established on December 30, 1966 composed of six Senators and 12 Representatives appointed by the presiding officer of each house. These two committees were presently touring the districts holding public hearings and gathering information regarding draft legislation referred by the last session of Congress for further study.

To illustrate the present level of political development, Mrs. Van Cleve discussed five resolutions which were passed at the Second Session of the Micronesian Congress. These were: (1) that the Government of the TTPI be renamed the Government of Micronesia. Mrs. Van Cleve believed the change would be approved provided there were no legal objections; (2) that the Secretarial Order creating the Congress of Micronesia be amended to allow a three-week period for elections. The Administration doubted the feasibility of this suggestion because holding the polls open for such an extended period would be conducive to election malpractices. Mrs. Van Cleve suggested as alternatives either having one-day election periods spread over a three-week period throughout the TTPI or institute an earlier filing date than the present one, which is 30 days prior to the election, in order to allow more time for the distribution of ballots to remote islands; (3) that the Congress of Micronesia be allowed to hold regular sessions beyond the present 30-day limit. The Administration was sympathetic to this request; (4) that legislation to be adopted require absolute majorities and not, as present, majorities of those present and voting. Mrs. Van Cleve questioned the wisdom of this request, noting that US legislatures use the "present and voting" system; and (5) that annual salaries, not per diem allowances, be paid to Congressmen. The Administration doubted the feasibility of this request since most state legislators were paid per diem allowances based upon the legislative session period.

Miss Brooks observed that there was agreement in the Trusteeship Council discussions of last June that congressional sessions should be longer than the present 30-day period. She advanced the argument that annual salaries for congressmen would induce better qualified persons to run for office, and she believed that greater use could be made of trained women in the TTPI.

Miss Brooks stated her belief that in order to develop a political consciousness in the TTPI the Congress of Micronesia should control all revenue, including U.S. grants for TTPI economic development, subject to supervision by the TTPI administration. She recalled that Micronesians had complained to the 1964 Visiting Mission that they felt the Congress had no real power because it did not control finances. Mr. Anderson stated that the time did not seem appropriate to give the relatively inexperienced Congress of Micronesia complete legislative autonomy. Mrs. Van Cleve added that the U.S. Congress as a rule did not make unearmarked funds available to states or territories and was not likely to change this policy. To allow the Congress of Micronesia to gain experience in fiscal matters, Interior had suggested that the Federal Government pay the expenses of the Congress of Micronesia, thus releasing \$400,000-500,000 in local revenues to the Congress of Micronesia. The Department of the Interior had recently completed a study of revenue raising in the TTPI which indicated that improved collection methods would yield twice the present income available to the Congress of Micronesia.

Miss Brooks wished to learn how the Congress of Micronesia could circumvent a veto by the High Commissioner on legislation it felt to be essential. Mrs. Van Cleve stated that while the Congress of Micronesia had never appealed a veto by the High Commissioner to the Secretary of the Interior, she was confident that such a request would receive the sympathetic attention of the Secretary. She added that the High Commissioner had vetoed only two of the 29 bills adopted at the Second Session of the Congress. These were rejected for technical reasons, and the High Commissioner indicated he would be glad to reconsider the substance of the vetoed legislation in revised form. Miss Brooks commented that legislative action should not depend upon actions of one individual.

Mr. Basdevant asked how many civil servants were serving in the Congress of Micronesia, noting that the problem had been discussed last June in the Trusteeship Council. Mr. de Young replied that approximately 80 per cent of the membership of both Houses of the Congress of Micronesia, including 11 of the 12 Senators, have some official connection with the Administration. Mr. de Young added that members of the Congress of Micronesia were generally professional people, senior executives, and traditional leaders such as businessmen. Mr. Basdevant was pleased to learn that the ban on civil servants running for office in the Congress of Micronesia, which is to come into effect in 1968, would apply only to department heads, district administrators and assistant district administrators, and would not threaten the continuity of the Congress by barring lower-level officials such as medical officers.

In reply to a question from Mr. Basdevant, Mr. de Young stated that it was Administration policy to increase the number of Micronesians serving in the Administration and a number were already serving in high-level positions. The Deputy Commissioner of Resources and Development, one district administrator and at least one or more assistant district administrators in every district except Yap were Micronesians. In the postal system where Micronesians hold about 50 per cent of the positions including a number of postmasterships, it had been the policy of the Administration for the past two years to give preference to a Micronesian over an American in filling a position when both candidates possessed the same qualifications. In certain areas of administration such as medicine and public health, Micronization was proceeding more slowly due to the higher level of technical training required. An internship program to give trainees experience in executive techniques had been developed in the various departments, including the High Commissioner's office and was being expanded. Miss Brooks stated she hoped that by next year all district administrators would be Micronesians.

Mr. Basdevant observed that a Constitutional Committee had been established in American Samoa, and he wondered whether a similar committee should be set up in the TTPI. Mrs. Van Cleve stated her belief that the population needed more time to gain political experience and develop greater Micronesian consciousness. Miss Brooks observed that now was the time to begin consideration of a Constitutional Committee.

Miss Brooks noted that a five-year \$172 million appropriation bill, proposed by the Administration, had not been approved by the 89th Congress, and she wondered whether this bill would be re-submitted to the 90th Congress. (The Administration actually requested legislation authorizing capital expenditures of \$172 million, in addition to an expanded operating budget totalling \$152 million, for the five-year period.) Mr. Anderson replied that a new bill had been introduced, covering a shorter period (three years), but calling for a large increase in the ceiling on appropriations (now \$17.5 million per year). Miss Brooks commented that a five-year plan was preferable to a three-year plan because long-range planning was necessary for large programs. Mrs. Van Cleve stated that Interior continues to prefer a five-year planning period and added that the U.S. Congress had never said it was unwilling to think in terms longer than one year. The House was expected to consider the bill after, hopefully, early action by the Senate which planned to send a delegation to the TTPI after Congress adjourned this fall.

#### Economic Developments

Mr. de Young informed the Visiting Mission that the economic development consulting firm, Robert R. Nathan Associates, had completed the first phase of its study in depth of the resources of the TTPI and factors related to its potential development. This report would be available to the Mission on its arrival in the TTPI. Mrs. Van Cleve stated that the Administration was pressing for extension to the TTPI of tariff benefits enjoyed by U.S. Territories. At the present time the Bureau of the Budget was reviewing all U.S. Territorial tariffs. She also mentioned briefly the Economic Development Loan Fund with present assets of \$700,000, which was providing or guaranteeing business and agricultural loans.

In the agricultural field, Mr. de Young discussed the two year contract, the first of its kind, recently concluded by the Administration with the United Micronesian Development Association (UMDA), which is controlled by Micronesians, for the collection, purchasing and marketing of copra throughout the TTPI. Under the terms of the contract, the UMDA works for the Copra Stabilization Board which sets the annual price paid to the producer. Profits are placed in a stabilization fund. The board, which contained more Micronesians than American members, determined by majority vote the price of

copra. Despite generally falling world prices, this year's copra crop, expected to reach 14,000 tons, would be worth approximately \$2.5 million. The Congress of Micronesia controlled the revenue (\$200,000 - \$250,000 annually) raised by a tax on copra production although 50% of the tax revenue was returned to the districts. The Congress of Micronesia wanted to phase out this tax since Micronesians felt the tax placed an unfair burden on copra producers.

Efforts to combat destruction of coconuts by beetles were having some effect. Specifically, countermeasures such as the importation of wasps, the building of brush barriers and the destruction of diseased trees were being employed against the rhinoceros beetle in the Palau District while moths were being imported to control the Marianas beetle.

Miss Brooks stated her belief that experts were needed to teach the Micronesians proper land utilization. Mr. de Young replied that several bills had been introduced at the last session of the Congress of Micronesia which urged that detailed land surveys be conducted. A separate department of land management had been created within the High Commissioner's Office and a training program for surveyors was now in existence. Mr. Milner stated that the U.S. Navy had recently concluded a contract with a private company to render a former ammunition storage area in Saipan safe for agriculture.

Mr. de Young described several projects being undertaken to expand the fishing industry. A plant to freeze tuna had been built in Palau District and plans to build a cannery were being discussed. The West Carolines Fishing Organization, which utilizes Okinawans to teach Micronesians the long line fishing technique, had had only slight success during its first year of existence due to the reluctance of the Micronesians to spend long periods at sea. Micronesians preferred fishing which allowed them to return home each night. A company had recently been established in Yap to fish for precious coral and was contracting with a Japanese company to receive training in this type of fishing.

In response to Miss Brooks' query concerning the development of tourism, Mr. Anderson replied that there was at present no real demand, but that it was a potential source of revenue. Mrs. Van Cleve noted that the Nathan Report had identified tourism along with agriculture and fisheries as the three major areas of potential economic development.

Social, Educational and Health Developments

In reply to a question by Mr. Posnett, Mr. de Young acknowledged that there was a definite movement of people away from the outer islands and toward the district centers, probably because of the "bright lights" and the availability of wage earning jobs. District centers were growing rapidly and sometimes lacked facilities to take care of the influx. The consequent disruption of normal life in the district centers had an effect on the youth who tended to "waste time".

To meet the situation, the Administration was helping district centers with water, power, and planned community development and was developing sub-centers (Kusai and Ulithi for example) possessing community facilities. The improvement of transportation, water and power facilities outside the district centers would hopefully slow down the population drift toward the district centers, since most people seemed to prefer remaining in their home areas if there were ready access to the centers.

At present Micronesians employed by the Administration were expected to find their own housing if living in their home district, but received the same housing as US citizens if sent outside their home districts. The Administration had recommended that a provision regarding housing assistance be included in the long-term planning program for the TTPI. There was very little migration of Micronesians to the US due mainly to US immigration restrictions. Micronesians had no special status as compared with other foreigners, although there was a bill pending before the US Congress to give Micronesians the entry benefits enjoyed by US nationals.

Miss Brooks inquired whether a junior college had been established as suggested by the 1964 Visiting Mission. Mr. de Young stated that a preliminary report on the feasibility of a junior college being situated in the TTPI had been prepared by the Office of Education. This report, which considered placement, funding and curriculum questions, would be available to the Visiting Mission in the Territory. Greater use was being made of higher education facilities available in Guam through a more liberal scholarship program. Mr. Milner pointed out that there was a teacher's training school in Ponape. He agreed with Miss Brooks that secondary school facilities were inadequate since only about one-fourth of the

potential students were enrolled at the present time in secondary schools.

Miss Brooks remarked that during her 1964 visit she observed school children were using text books written for US students and suggested that there was a need for special texts which would impress upon the children their Micronesian heritage. Mr. de Young replied that the first phase of an accelerated elementary education program went into effect in 1964 and that there had been an immediate need for text-books. Mr. de Young stated that a small printing plant had recently been opened which would produce locally-oriented text books and local supplements to basic US text-books. US teachers were receiving extensive orientation in the history and culture of the TTPI, as well as in appropriate teaching techniques both before leaving the US and after their arrival. Further, it was Administration policy to build new housing for teachers in village communities. In the past, housing had been concentrated in the district centers due to a lack of water and power facilities in the villages.

Mr. Milner stated that developments in the medical field were not very encouraging. Recruiting and maintaining qualified medical personnel was a continuing problem. The Administration had not yet been able to recruit a director of public health. At present there were 39 Micronesians in medical training. These trainees included those studying to become laboratory technicians as well as M.D.'s. Twelve students had entered Fiji Medical School this year while one was studying in the US. The Administration planned to up-grade medical facilities in the district centers of Saipan, Truk and Ponape as well as improve medical dispensaries in the outer islands. Mr. Milner believed that Peace Corps volunteers would play an increasingly important role in improving health conditions in the remote areas where they were stationed.

#### Peace Corps Program

Mr. Pritchard briefed the Visiting Mission on the history of the Peace Corps involvement in the Trust Territory. The Peace Corps first received inquiries about the possibility of utilizing volunteers in the TTPI in the period 1961-1962. It did not respond positively to these inquiries for two reasons: (a) confusion about the legality of utilizing volunteers in an area administered by the US, and (b) lack of experience in

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dealing with problems found in Micronesia.

In May 1966 members of the Congress of Micronesia petitioned the Administration to request Peace Corps assistance in meeting the needs of the TTPI. After obtaining the approval of the Departments of State and Interior, the High Commissioner, Micronesian leaders, and President Johnson, the Peace Corps despatched a programming team to the TTPI. The team drew up a well-coordinated program which dealt with problems of education, health, economic development and communications. Peace Corps recruitment for the TTPI program began in May 1966 and drew 3,000 applicants. The program was divided into three phases. In phase I, 325 volunteers were trained in the summer of 1966 and were now scattered throughout the TTPI serving as teachers and rural health workers. In phase II, 200 volunteers recently completed training, also as teachers and rural health workers, and would be in the TTPI when the Visiting Mission arrived. The third phase was being planned based on experience gained so far in the field. Three hundred volunteers would probably be trained either as teachers or to work in economic development (agriculture, fisheries, credit unions). Within the next five years the Peace Corps ~~expected to have about~~ 800 volunteers working in the TTPI, thus making the TTPI program one of the largest Peace Corps operations. Reports received from the TTPI on the program to date have been excellent, Mr. Pritchard added.

Miss Brooks recalled that she had suggested to the High Commissioner in 1964 that the Peace Corps could play a useful role in the Trust Territory. She praised the Peace Corps for the results it had achieved in Liberia.

In reply to questions, Mr. Pritchard stated that TTPI requests for volunteers were formulated by the interaction of the following three forces:

- (a) The needs of the High Commissioner's on-going programs, particularly in the education and public health fields.

- (b) The needs as seen by the Peace Corps Director in Saipan and his staff in each of the six districts.
- (c) The needs as seen by the Peace Corps Advisory Council, consisting of members of the Congress of Micronesia and representatives of the District Advisory Councils.

Peace Corps volunteers were put through a 12-week training course in which each volunteer learned (1) one of ten Micronesian dialects, (2) the history and customs of the TTPI, and (3) the requirements of his job. Phase I and II volunteers were trained in the Florida Keys by Micronesians who returned to the TTPI with the volunteers in order to introduce them to the local people. Phase III volunteers will be trained in the TTPI, probably on Truk.

In the TTPI volunteers lived as closely as possible to the level of the people. They were paid no salary but did receive an allowance of ninety dollars a month to cover living expenses. They lived in local housing, in many cases with Micronesian families. The Administration was providing radios which would permit volunteers to remain in contact with District headquarters. In many cases Micronesians made voluntary contributions of food, labor and to a lesser extent building materials.

#### Micronesian Claims

Mr. Schwebel stated that he discussed the Micronesian claims question in great detail with Japanese officials in Tokyo last June. At the month-long meeting, the US made proposals to the Japanese which, if accepted, would satisfy all parties concerned. The Japanese had not yet given their answer to these proposals, and the US Government would continue to actively pursue the question, Mr. Schwebel added.

Miss Brooks requested Mr. Schwebel's opinion as to the usefulness of the Visiting Mission conveying directly to the Japanese Government the feelings of the Micronesians upon this question. Mr. Schwebel replied that he believed progress was being made on this problem through bilateral contacts. He stated that he could not give an opinion as to the

advisability of the Mission visiting Japan. He felt that this was a decision to be made by the Mission and the Japanese Government. Mr. Basdevant stated at a later point in the discussion the belief of the Mission that it could not act for the US in its negotiations with Japan. Mr. Posnett recalled that the Report of the 1961 Visiting Mission stated that the Micronesians were entitled to compensation. Mr. Schwebel stressed the fact that the US was not attempting to place a legal obligation upon Japan to pay compensation but was seeking with the Japanese to arrive at an equitable settlement.

Mr. Schwebel told Miss Brooks that it would be premature at this time to make an overall estimate of the claims involved. As to whether individuals and/or communities should receive compensation, Mr. Schwebel stated that although the manner of payment had not been settled, the US contemplated at the present time payment of a sum to the Congress of Micronesia who would have the responsibility of determining the most equitable and suitable method of satisfying claims. Mr. Schwebel said that he believed that all claims for seizure of Japanese currency and postal savings accounts had been satisfied with a US payment of \$25,000 to the TTPI after World War II.

#### Future of the TTPI

Mr. Popper discussed US plans for the future of the TTPI. He stated that the US anticipated that the inhabitants of the TTPI would make a decision regarding their political future within a reasonable period of time. While it was impossible at present to specify the time for this decision, the US did not view "reasonable period of time" as meaning the distant future. The actual timing of the decision should be largely determined by the wishes of the people as expressed through the Congress of Micronesia. Clearly the timing would be affected by the rate of development of a sense of community within the multitude of islands and by the development of the Congress of Micronesia. Although encouraged by the achievements of the Congress during its first two sessions, the US Government believed it would be premature to make any definite recommendations regarding the TTPI's future status at this time.

Mr. Popper continued that the UN Charter, General Assembly resolutions, the Trusteeship Agreement and the views of the Trusteeship Council were important factors in the determination of the future course to be taken by the TTPI toward self-government or independence. The US Government saw three possibilities for the TTPI:

- (a) independence;
- (b) free association with a independent state; and
- (c) integration within an independent state.

Mr. Popper concluded by saying the US would welcome the views and study the recommendations of the Visiting Mission, including its assessment of the pace of development, upon its return from the TTPI. Since the final decision as to their future status was up to the Micronesians themselves, it was the policy of the US to leave all options open, and, in line with this policy, the US was applying itself to the economic development and political education of the Territory.

Miss Brooks expressed her belief that while the TTPI had made progress, it had not kept up with the progress of the rest of the world. Because of the passive nature of the Micronesians, the Administration had the responsibility of forcing understanding, particularly political understanding, upon them, or at the least of starting the people thinking about their future. Mr. Posnett agreed with Miss Brooks and suggested that the Congress of Micronesia be educated politically so that Congressmen could discuss political problems with their constituents.

Both Mr. Rogers and Mr. Basdevant spoke of the need for the people to develop a spirit of identity as Micronesians. Ambassador Anderson recalled that during her trip to the Territory last year, she had been encouraged to note in her conversations with young political leaders their concern for the future of the Territory and with high school students their developing sense of Micronesian consciousness. Mrs. Van Cleve believed that Miss Brooks would be impressed with the changes in the Territory since her 1964 visit. The Congress of Micronesia and the interim committees of the Congress

were serving as focal points for the Micronization of the people, although obstacles, such as the Marianas-Guam secession problem, would have to be overcome.

On behalf of the Mission, Miss Brooks thanked the representatives of the Departments of the Interior and State and the Peace Corps for the useful briefing that they had received.

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